

Facts on the Ground

FTC Distributed Solar Generation Workshop



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energysage 

EnergySage – The Online Solar Marketplace



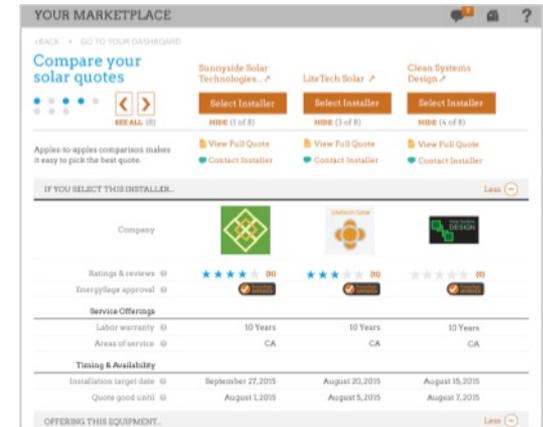
1. Homeowners create property profiles

- Property location
- Energy use
- Equipment & financing preferences



2. Solar installers design systems, submit quotes

- Use aerial images
- Submit quotes online via marketplace

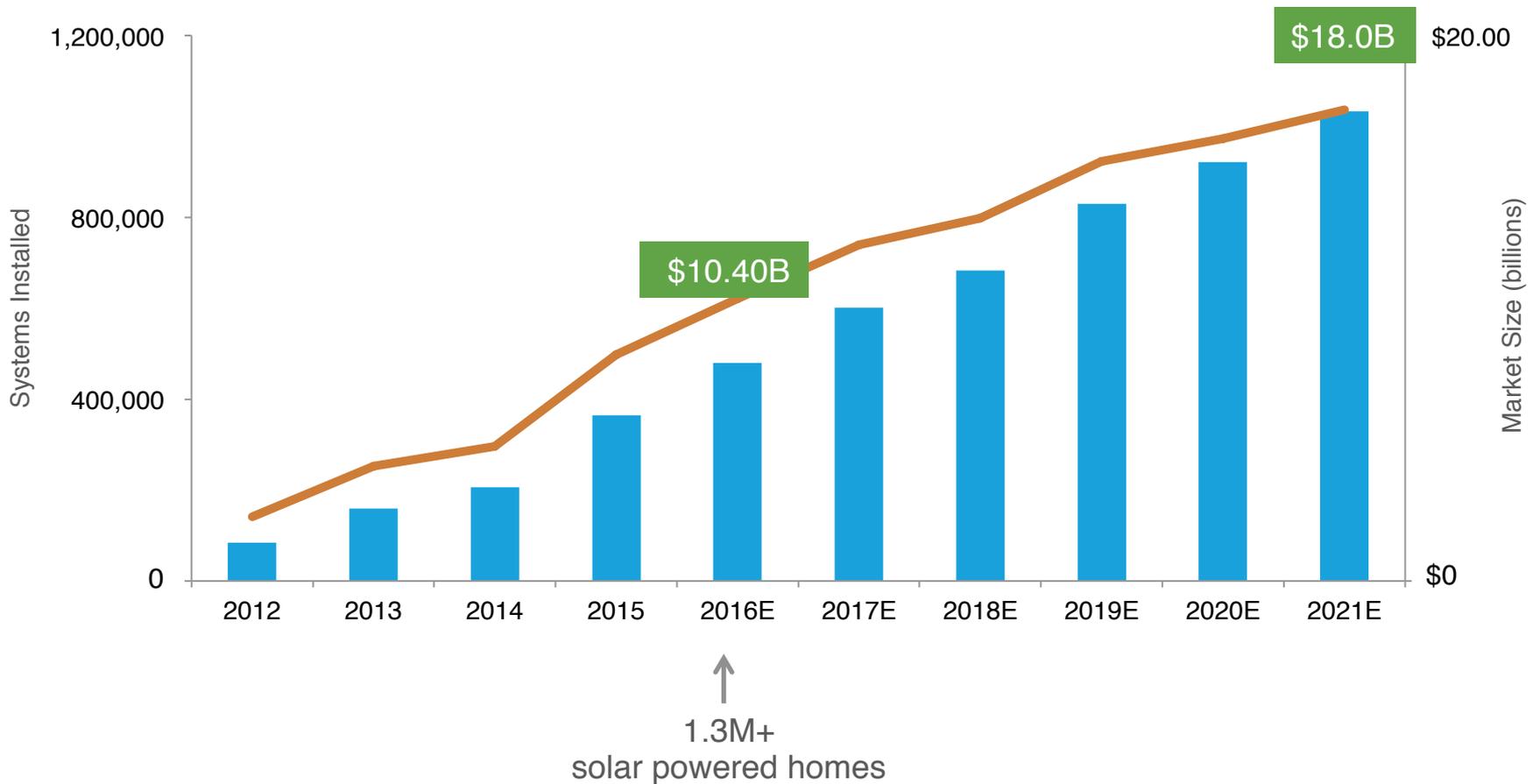


3. Compare quotes & select best value

- Standardized quotes
- Easy to compare quality & price
- Live decision support

2016 U.S. residential solar market: \$10.5B+; CAGR: 50%+

Residential Solar PV Market



Solar economics are driving consumer interest

\$2,200/year bill

Monthly Electricity Bill of EnergySage Shoppers

National Average: \$114*



85% solar offset

Size of System & Expected Offset

Size of Quoted System (kW)



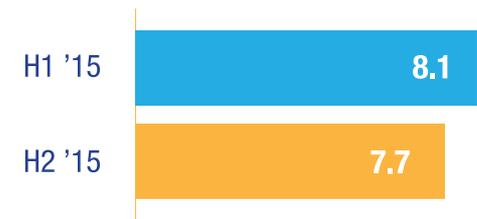
Percentage of Usage Offset (%)



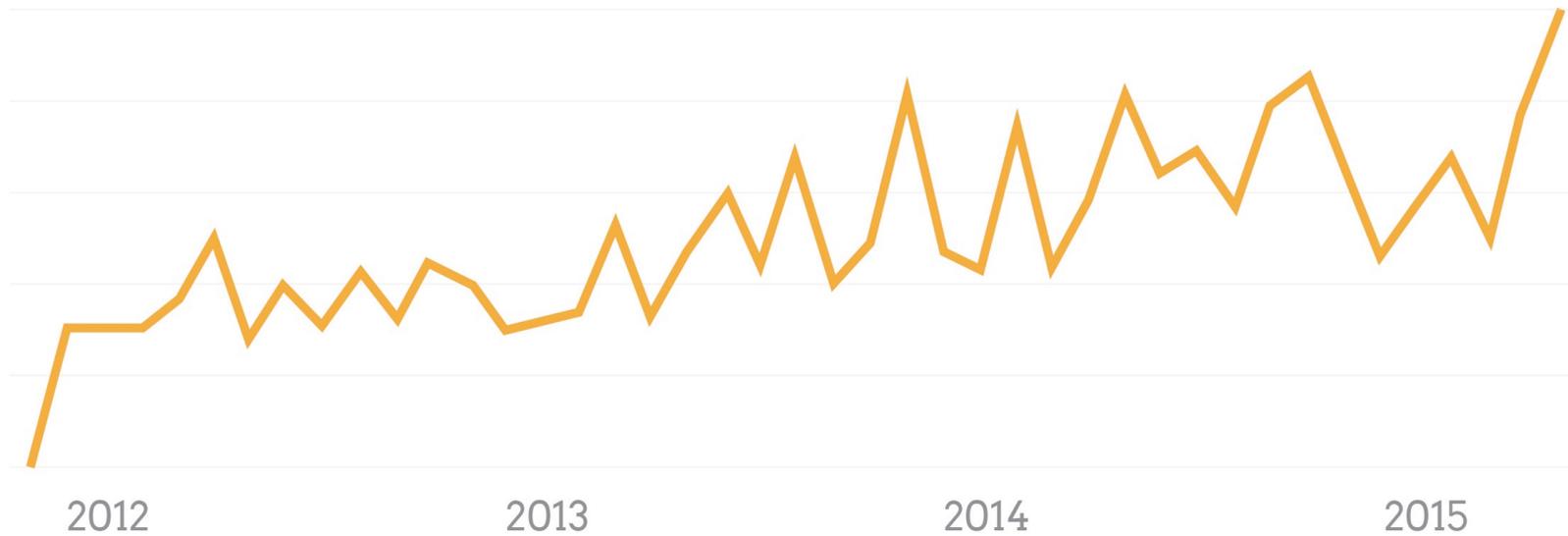
ROI = >13%

Payback Period of EnergySage Shoppers

In Years



Interest in solar increasing due to increased awareness and 'peer effects'



3x increase in search volume for
“best solar companies” since 2011

In 2015, over 12 million households considered going solar

**4–6
Million**

Active Solar Shoppers

**5–7
Million**

Interested Households

Key Issue: Lack of transparency

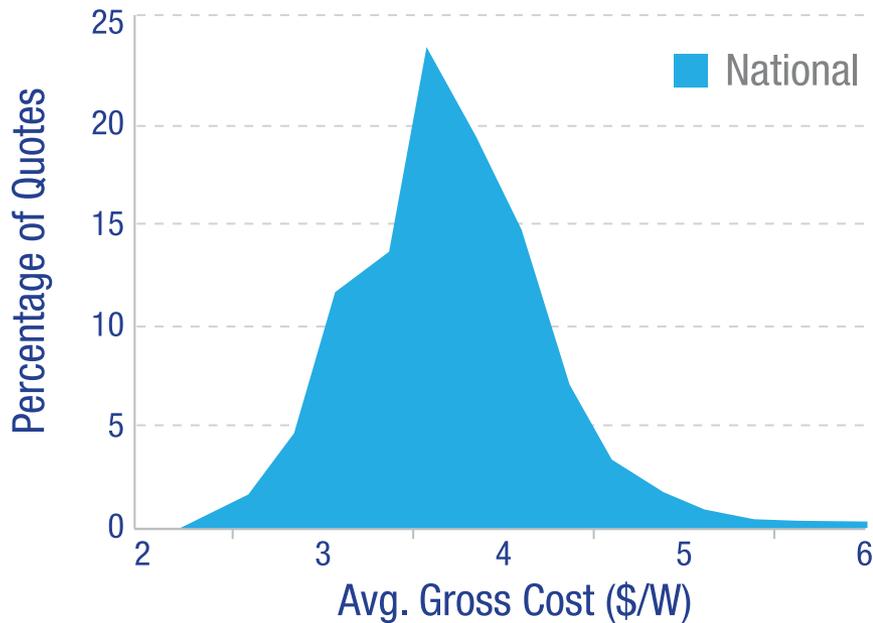
- Uninformed consumers
- Increasing choices
- Limited, unbiased information and transparency
- Lack of standardization



Opportunities for salespeople to mislead

Prices vary dramatically

Price Distribution in EnergySage Quotes



Range: \$2.50/W – \$5.50/W

\$20,000+ difference in
low – high prices

Highly fragmented industry

- 3,000+ installers
- 50+ panel manufacturers
- 25+ inverter manufacturers
- 100+ financiers

Solar equipment quality varies significantly

Quality Spectrum

Economy

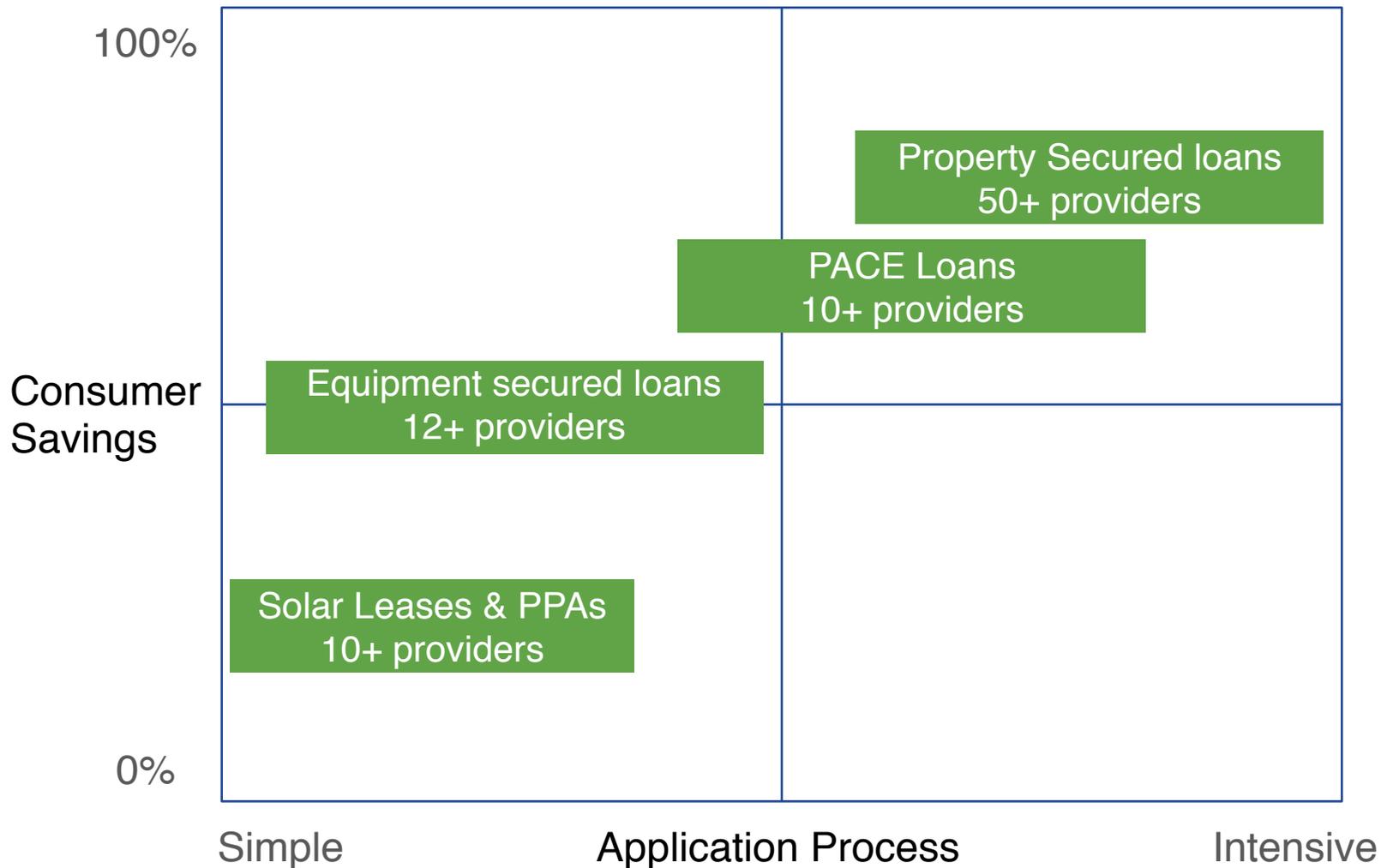
Premium



Factors:

- Product quality
- Durability
- Warranties
- Aesthetics

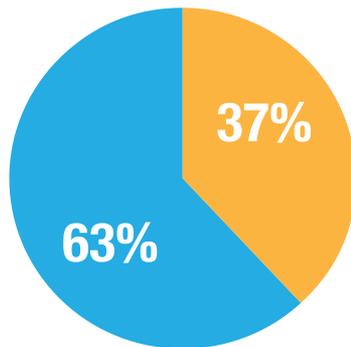
100+ lenders now offer solar financing



The power of transparency

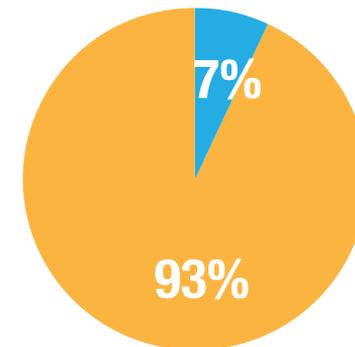
Financing Options Selected

National Average[†]



63% Industry Average
Selects Third Party Ownership

EnergySage Shoppers



7% of EnergySage Shoppers
Select Third Party Ownerships

Consumers face four main issues

1. False or misleading advertising
2. Overly aggressive sales tactics
3. Lack of transparency & standardization of solar quotes
4. Anticompetitive practices in online search

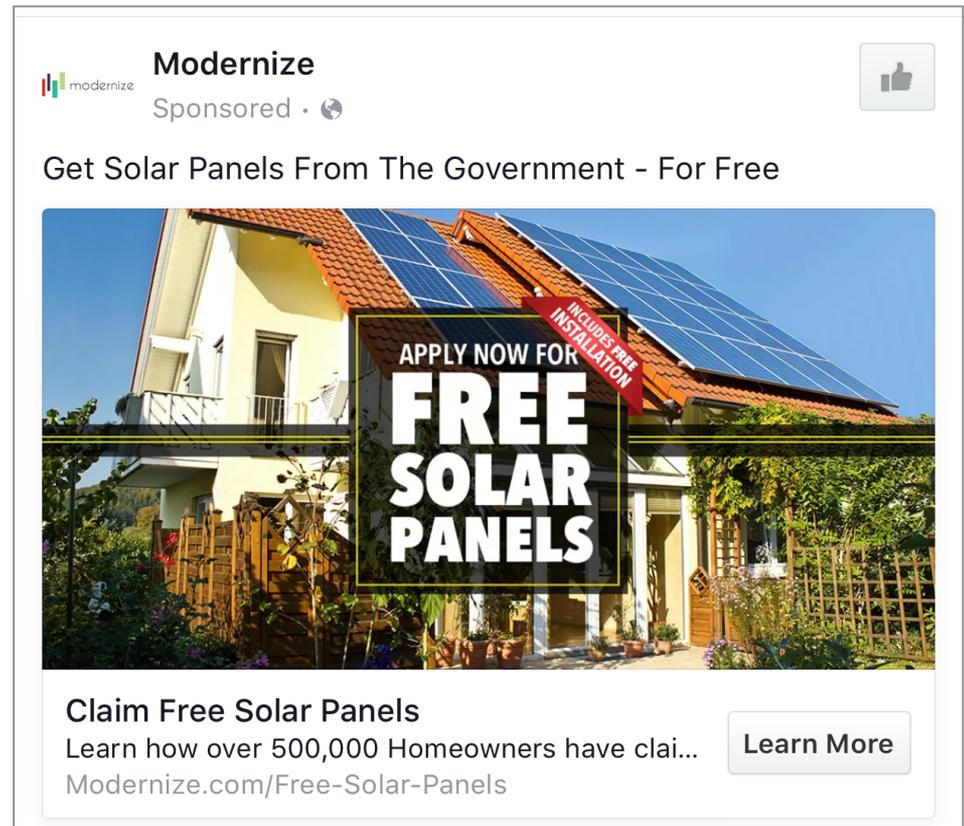
Issue 1: False or misleading advertising

Problem

- Misleading advertisements
- Lowers consumer confidence
- Slows adoption rates

Possible Solution

- Consumer education
- Enforce Truth-in-Advertising laws



The image shows a screenshot of a sponsored advertisement on a social media platform. At the top left is the Modernize logo, followed by the text "Modernize Sponsored" and a globe icon. In the top right corner is a thumbs-up icon. The main headline reads "Get Solar Panels From The Government - For Free". Below this is a large photograph of a house with solar panels on the roof. A black box with white text is overlaid on the photo, containing the text "APPLY NOW FOR FREE SOLAR PANELS". A red banner in the top right corner of the photo says "INCLUDES FREE INSTALLATION". Below the photo, the text reads "Claim Free Solar Panels" and "Learn how over 500,000 Homeowners have clai...". At the bottom left of the ad is the URL "Modernize.com/Free-Solar-Panels", and at the bottom right is a "Learn More" button.

Issue 2: Overly aggressive sales tactics

Problem

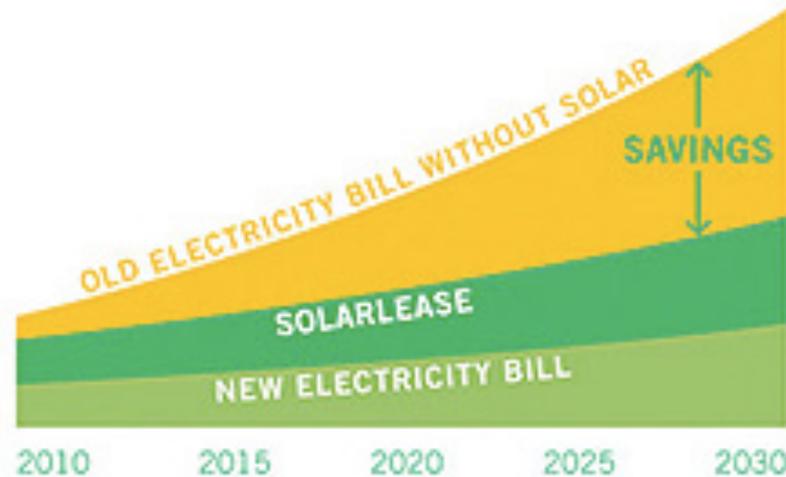
- Unsolicited cold calls / door knocks
- High pressure to sign contracts
- Heightens consumer distrust

Possible Solution

- Consumer education
- Enforce National Do Not Call Registry



Issue 3: Lack of standardization in solar quotes,



Problem

- Modified assumptions to inflate savings
- Hidden dealer fees for loans
- No transparency into equipment quality
- No standardized metrics

Possible Solution

- Develop standardized solar quote guidelines (e.g., “Used Car Rule”)
- Develop “Buyer’s Guide
- Commitment from solar companies

Issue 4: Anticompetitive practices in online search

Problem

- Google promoting proprietary solar-lead-generation service in search results
- Limits consumer choice

Possible Solution

- Discourage anti-competitive behavior

Solar Panel Installation - SunBugSolar.com

Ad www.sunbugssolar.com/FreeEval

Harness the sun with the highest rated solar installer in MA.

Solar savings estimator

Estimate how much you can save on your electric bill with rooftop solar.



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Shady  Sunny

Average home in Boston
Based on your current location

Estimated savings **\$11,000**
*Over 20-year solar lease;
no upfront cost*

Source: Project Sunroof

Feedback

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AS SEEN IN

“The marketplace’s functionality and usability is light years ahead of other similar sites.”

– GREENTECH MEDIA

Consumer Reports

TIME

CBS

Kiplinger

Money

The Boston Globe

Forbes

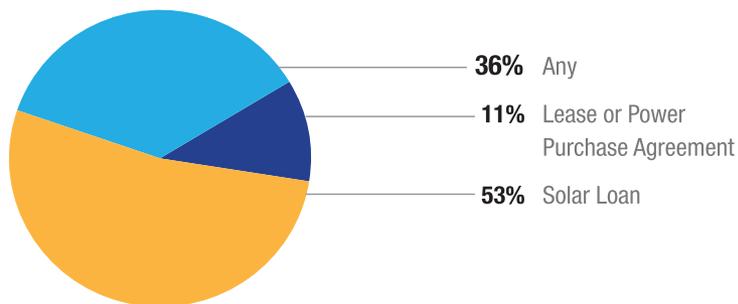
Bloomberg

OUR PARTNERS

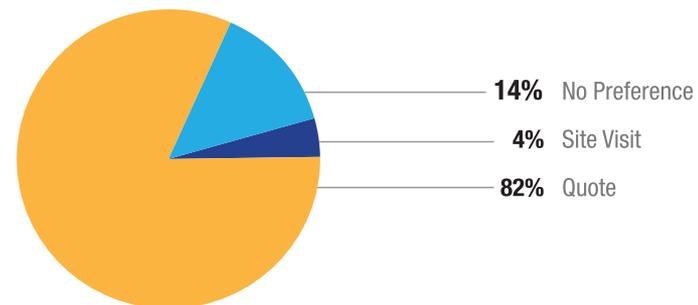


Consumer research reveals preference for system ownership, quotes before site visits, and value

Solar Financing Preferences



Preference for Site Visit First or Quote First



Highest Priority When Evaluating Solar Panels

